

RECORDATION NO. 15211 Filed & Recorded  
APR 17 1987 2-45 PM  
INTERSTATE COMMERCE COMMISSION

**PACCAR** Inc

Law Department  
P.O. Box 1518  
Bellevue, Washington 98009  
Telephone (206) 455- 6559

April 16, 1987

Secretary  
Interstate Commerce Commission  
Washington, D. C. 20423

Dear Secretary:

I have enclosed an original and one counterpart of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a **CONDITIONAL SALE AGREEMENT/SECURITY AGREEMENT**, a primary document, dated April 1, 1987.

The names and addresses of the parties to the documents are as follows:

Vendor: PACCAR Financial Corp.  
P.O. Box 1518  
Bellevue, WA 98009

Vendee: The San Luis Central Railroad Co.  
P.O. Box 108  
Monte Vista, CO 81144

A description of the equipment covered by the document follows:

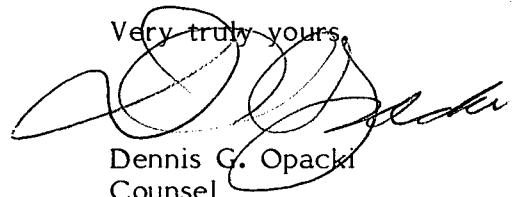
82 1971 70-ton mechanical refrigerator cars manufactured by Pacific Car & Foundry. The cars contain Pacific Car & Foundry designation numbers going from 9800 to 9899.

A fee of \$10 is enclosed. Please return the original to me within indication thereon that it has been recorded. —

A short summary of the document to appear in the index follows:

Conditional Sale Agreement/Security Agreement dated April 1, 1987 between PACCAR Financial Corp. (Vendor) and The San Luis Central Railroad Co. (Vendee) for the sale of 82 1971 Pacific Car & Foundry 70-ton mechanical refrigerator cars.

Very truly yours,

  
Dennis G. Opacki  
Counsel

DGO:pdj

cc: R. Russo

Interstate Commerce Commission

Washington, D.C. 20423

4/17/87

OFFICE OF THE SECRETARY

Dennis G. Opacki  
Counsel  
PACCAR Inc.  
P.O. Box 1518  
Bellevue, Washington 98009

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 4/17/87 at 2:45pm, and assigned re-  
recording number(s). 15211

Sincerely yours,

*Norita R. McGee*  
Secretary

Enclosure(s)

SE-30  
(7/79)

APR 17 1987 2:45 PM

CONDITIONAL SALE AGREEMENT/SECURITY AGREEMENT dated as of <sup>INTERSTATE COMMERCE COMMISSION</sup> April 1, 1987, between PACCAR Financial Corp. (hereinafter called the Seller), and The San Luis Central Railroad Co. (hereinafter called the Company).

WHEREAS, the Seller has agreed to sell to the Company, and the Company has agreed to purchase, the equipment described in Schedule A hereto (hereinafter called the Equipment);

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Assignment; Certain Definitions. The term "Seller", whenever used in this Agreement, means, before any assignment of any of its rights hereunder by PACCAR Financial Corp. and any successors or assigns, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment.

ARTICLE 2. Sale. Pursuant to this Agreement, the Seller shall cause the units of the Equipment to be delivered as described in Schedule A and hereto at Kansas City, Missouri and will sell and deliver to the Company, and the Company will purchase from the Seller and accept delivery of and pay for (as hereinafter provided), the Equipment, each unit of which shall be sold "as is, where is". Each unit of the Equipment will be considered used railroad equipment.

ARTICLE 3. Inspection and Delivery. The Seller will deliver the units of its Equipment to the Company at the place or places specified in Schedule A hereto (or if said Schedule A does not specify a place or places, at the place or places designated from time to time by the Company, freight charges, if any, prepaid, provided, however, that the Seller shall have no obligation to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) of Article 16 hereof or if any event of default (as described in said Article 16), or event which with the lapse of time and/or demand could constitute such an event of default, shall have occurred and be continuing.

The Seller's obligation as to time of delivery is subject, however, to delays resulting from causes beyond such Seller's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to equipment or delays of carriers or subcontractors.

On delivery of each such unit of Equipment hereunder at the place specified for delivery, the Company will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The price or prices per unit of the Equipment are set forth in Schedule A hereto, and as amended.

The Company hereby acknowledges itself to be indebted to the Seller in the amount of, and hereby promises to pay to the Seller at such place as the Seller may designate, the Purchase Price of the Equipment, as follows:

(a) upon execution of this document an amount equal to thirty percent (30%) of the Purchase Price for all Equipment and related charges.

(b) in 36 consecutive equal monthly installments of \$4,435.69 commencing May 1, 1986, to and including April 1, 1990, and a final payment due May 1, 1990, based upon the following:

The parties agree that during the term of this contract the effective time price differential on the principal balance shall vary in accordance with fluctuations in the prime rate and will be calculated on the unpaid principal balance on a daily basis. The effective time price differential shall be equal in amount to the prime rate plus one percent, calculated on the remaining principal balance under the contract, but never less than 8.0 percent nor greater than 14.0 percent. The aforementioned term "prime rate" shall mean the prime commercial interest rate of Seattle First National Bank. The prime rate in effect on the first day of each calendar month will be used to determine the time price differential to be paid. The prime rate at the original date of the contract will be the prime rate in effect on the first day of that calendar month.

Late or early payments over the term of the contract will affect the amount of the final payment. Any delay in payment could cause the TIME PRICE DIFFERENTIAL, the TIME BALANCE, and the TOTAL TIME SALE PRICE to be greater than disclosed. Early payments, or reduction in the prime rate, could cause those amounts to be less than disclosed, resulting in a smaller final payment or a reduced number of payments.

Under the law, you have the right to pay off in advance the full amount due at the time payment is made, with no penalty for early payment or prepayment.

The Company will pay, to the extent legally enforceable, interest at the maximum allowable rate upon all amounts remaining unpaid after the same shall have become due and payable pursuant to

the terms hereof, anything herein to the contrary notwithstanding.

In the event Seller, pursuant to Article 15 hereof, assigns the right to receive the payments herein provided to be made by the Company, the assignee thereof may request the Company to make and the Company shall make such payments to it at such address as shall be supplied to the Company by the assignee.

ARTICLE 5. Taxes. All payments to be made by the Company hereunder will be free of expense to the Seller for collection or other charges and will be free of expense to the Seller with respect to the amount of any local, state, federal or foreign taxes (other than net income of seller, gross receipts of seller [except gross receipts taxes in the nature of or in lieu of sales or use taxes], excess profits of seller and similar taxes of seller) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called impositions), all of which impositions the Company assumes and shall pay on demand. The Company will also pay promptly all impositions which may be imposed upon the Equipment delivered to it or for the use or operation thereof or upon the earnings arising therefrom or upon the Seller solely by reason of its interest therein and will keep at all times all and every part of the Equipment free and clear of all impositions which might in any way affect the title or interests of the Seller or result in a lien upon any part of the Equipment; provided, however, that the Company shall be under no obligation to pay any impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such impositions and the nonpayment thereof does not, in the opinion of the Seller, adversely affect the title or interests of the Seller in or to the Equipment or otherwise under this Agreement. If any such impositions shall have been charged or levied against the Seller directly and paid by the Seller, the Company shall reimburse the Seller upon presentation of an invoice therefor, and any amounts so paid by the Seller shall be secured by and under this Agreement; provided, however, that the Company shall not be obligated to reimburse the Seller for any impositions so paid unless the Seller shall have been legally liable with respect thereto or unless the Company shall have approved the payment thereof.

ARTICLE 6. Title to the Equipment. The Seller shall and hereby does retain its title and interest in the Equipment until the Company shall have made all its payments under this Agreement and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Company as provided in this Agreement. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and

included in the term "Equipment" as used in this Agreement.

When and only when the full indebtedness in respect of the Purchase Price of the Equipment, together with interest and all other payments as herein provided, shall have been paid, and all the Company's obligations herein contained shall have been performed by the Company, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Company without further transfer or action on the part of the Seller. However, the Seller, if so requested by the Company at that time, will (a) execute a bill or bills of sale for the Equipment transferring and releasing its title to and interests therein to the Company, or upon its order, free of all claims, liens, interests and encumbrances created or retained hereby and deliver such bill or bills of sale to the Company at its address referred to in Article 21 hereof, (b) execute and deliver at the same place, for filing, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records such transfer and release. The Company hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and delivery such bill or bills of sale or instrument or instruments or to file such certificate within a reasonable time after written demand by the Company.

ARTICLE 7. Marking of the Equipment. The Company will cause each unit of the Equipment to be kept numbered with its identifying number as set forth in Schedule A hereto, or in the case of Equipment not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such Equipment, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit, in letters not less than one inch in height, the words "OWNERSHIP SUBJECT TO A SECURITY AGREEMENT" with appropriate changes thereof and additions thereto as from time-to-time may be required by law in order to protect the Seller's title and interests in the Equipment and its rights under this Agreement. The Company will not place any such unit in operation or exercise any control or dominion over the same until such markings have been made thereon and will replace promptly any such markings which may be removed, defaced, obliterated or destroyed. The Company will not change the number of any unit of the Equipment except in accordance with a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with the Seller by the Company and filed, recorded and deposited by the Company in all public offices where this Agreement shall have been filed, recorded and deposited.

Except as provided in the preceding paragraph, the Company will not allow the name of any person, association or

corporation to be placed on any unit of the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Company may cause the Equipment to be lettered with the names or initials or other insignia of the Company or its affiliates.

ARTICLE 8. Insurance. Company agrees, when requested by Seller to keep the Equipment continuously insured against fire, theft, collision and any other hazard Seller specifies by an insurance company acceptable to the Seller. The amount of insurance shall be the full insurable value of the Equipment or the full amount of all obligations this Agreement secures, whichever is greater. The insurance policy shall provide, in a form acceptable to Seller for payment of any loss to Seller. Company shall deliver to Seller proof of insurance coverage acceptable to Seller. The insurance policy shall provide that it can be cancelled only after written notice of intention to cancel has been delivered to Seller at least ten (10) days before the cancellation date. If the Equipment is lost or damaged, Seller shall have full power to collect any or all insurance proceeds and to apply them as Seller chooses either (i) to satisfy an obligation secured by this Agreement (whether or not due or otherwise matured), or (ii) to repair the Equipment. If Company obtains insurance from a company Seller has not approved, or fails to obtain any insurance, Seller may (but does not have to) obtain any insurance Seller desires to protect its interests. If Seller does so, Company shall reimburse Seller upon demand for its expenses. Seller shall have no liability at all for any losses which occur because no insurance has been obtained or the coverage of the insurance which has been obtained is complete.

If any unit(s) of the Equipment purchased as operational become inoperational or unfit for use due to causes not covered by insurance, the Company shall within six (6) months of notice by the Seller do one of the following:

a) Repair the unit(s) so as to make it operational or fit for use.

b) Replace the unit(s) with a comparable unit(s) of Railroad equipment.

The company will cause any replacement unit(s) to be marked as provided in Article 7 hereof. Any and all such replacements of Equipment shall constitute accessions to the Equipment and shall be subject to all appropriate terms and conditions of this Agreement as though part of the original Equipment delivered hereunder and shall be included in the term "Equipment" as used in this Agreement; provided, however, that nothing herein shall result in the Seller having any liability or obligation with respect to any replacement unit or units not sold by it. Title to all such replacement units shall be free and clear of all liens and encumbrances except the liens permitted by the second paragraph of Article 12 hereof and shall be taken initially

and shall remain in the name of the Seller subject to the provisions hereof, and the Company shall execute, acknowledge, deliver, file, record or deposit all such documents and do any and all such acts as may be necessary to cause such replacement units to come under and be subject to this Agreement and to protect the title and interest of the Seller in such replacement units.

c) Pay to the Seller the remaining pro rata outstanding balance for such unit(s).

ARTICLE 9. Maintenance; Compliance with Laws and Rules.

The Company will at all times maintain the Equipment or cause the Equipment purchased as operational to be maintained in good order and repair at its own expense.

During the term of this Agreement, as to unit(s) purchased as operational the Company will at all times comply in all respects with the laws of the jurisdictions in which its operations involving the Equipment may extend, with interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration or replacement of or addition to any part on any unit of the Equipment, the Company will conform therewith, at its own expense; provided, however, that the Company may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Seller, adversely affect the property or rights of the Seller under this Agreement.

ARTICLE 10. Reports and Inspections. On or before March 31 in each year, commencing with the year 1988, the Company shall furnish to the Seller an accurate statement signed by an officer of the Company (a) setting forth as at the preceding December 31 the amount, description and numbers of all units of the Equipment that have suffered a Casualty Occurrence during the preceding 12 month (or since the date of this Agreement in the case of the first such statement) or that have been withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Equipment as the Seller may reasonably request and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 7 hereof have been preserved or replaced. The Seller shall have the right, by its agents, to inspect the Equipment and the Company's records with respect thereto at such reasonable times as the Seller may request during the term of this Agreement.

ARTICLE 11. Possession and Use. The Company, so long as an event of default shall not have occurred under this Agreement and be continuing, shall be entitled to the possession of the units



of Equipment and the use thereof upon the lines of railroad owned or operated by it either alone or jointly with others and whether under lease or otherwise, or upon Railroad owned or operated by the San Luis Railroad Co. or upon the lines of railroad owned or operated by any railroad company controlled by, or under common control with, the Company, or over which it has trackage rights, or upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, from and after delivery of such units of Equipment by the Seller of such units to the Company, but only upon and subject to all the terms and conditions of this Agreement; provided, however, that the Company shall not be entitled to assign the Equipment for use or service outside of the United States of America except in normal interchange.

ARTICLE 12. Prohibition Against Liens. The Company will pay or discharge any and all sums claimed by any party from, through or under the Company or its successors or assigns which, if unpaid, might become a lien, charge or security interest on or in the Equipment, or any unit thereof, equal or superior to the Seller's title and interest therein; provided, however, that the Company shall be under no obligation to pay or discharge any such claim so long as it is contesting in good faith and by appropriate legal proceedings such claim and the nonpayment thereof does not, in the opinion of the Seller, adversely affect the title or interest of the Seller in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Seller in discharge of liens, charges or security interests upon the Equipment shall be secured by and under this Agreement.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmens', mechanics', workmens', repairmens' or other like liens arising in the ordinary course of business and, in each case, not delinquent.

ARTICLE 13. Company's Indemnities. The Company will indemnify, protect and hold harmless the Seller from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by the Seller of title and interests in the Equipment, the use and operation thereof by the Company during the period when said title and interests remain in the Seller or its assignee or the transfer of said title and interests in the Equipment by the Seller pursuant to any of the provisions of this Agreement and any sale or transfer by Company after completion of this Agreement. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

ARTICLE 14. Warranty. The Equipment covered under this Sales Agreement is sold as is, where is and contains no expressed or implied warranties. Buyer hereby acknowledges that no warranties of merchantability or fitness for any particular purpose are to be implied in this transaction.

ARTICLE 15. Assignments. The Company will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Seller.

All or any of the rights, benefits and advantages of the Seller under this Agreement, including the right to receive the payments herein provided to be made by the Company may be assigned by the Seller and reassigned by any assignee at any time or from time-to-time.

Upon any such assignment either the assignor or the assignee shall give written notice to the Company together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Company of the notification of any such assignment, all payments thereafter to be made by the Company under this Agreement to the Seller shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

ARTICLE 16. Defaults. In the event that any one or more of the following events of default shall occur and be continuing, to wit:

- a) The Company shall fail to pay in full any indebtedness with respect to the Purchase Price of the Equipment or any other sum payable by the Company as provided in this Agreement when payment thereof shall be due hereunder and such failure shall continue for a period of five (5) days after notice of non-payment.
- b) The Company shall, for more than fifteen (15) days after the Seller shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this Agreement, or of any agreement entered into concurrently herewith relating to the financing of the Equipment on its part to be kept or performed or to make provision satisfactory to the Seller for such compliance; or

- c) The Company becomes insolvent or subject to insolvency proceedings defined in the Uniform Commercial Code or becomes subject to bankruptcy or makes an assignment for the benefit of creditors.
- d) The Company shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any unit of the Equipment;

then at any time after the occurrence of such an event of default the Seller may, upon written notice to the Company and upon compliance with any mandatory legal requirements then in force and applicable to such action by the Seller, declare (hereinafter called a Declaration of Default) the entire indebtedness in respect of the Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such Declaration of Default at the rate per annum specified in Article 4 hereof as being applicable to amounts remaining unpaid after becoming due and payable, to the extent legally enforceable. The Seller shall thereupon be entitled to recover judgment for the entire unpaid balance of the indebtedness in respect to the Purchase Price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Company wherever situated. The Company shall promptly notify the Seller of any event which has come to its attention which constitutes, or which with the giving of notice and/or lapse of time, could constitute an event of default under this Agreement.

The Seller may, at its election, waive any such event of default and its consequences and rescind and annul any Declaration of Default by notice to the Company in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event of default had occurred and no Declaration of Default had been made. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Company that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extent to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

ARTICLE 17. Remedies. If Company defaults under this Agreement, in addition to the rights Seller has under the law in effect at the time of default, the following provisions shall apply:

- a) On Seller's demand, Company shall deliver possession of the Equipment to Seller at a place Seller designates reasonably convenient to both parties.

- b) Seller may enter any premises where the Equipment may be found and take possession of it without notice, demand, or legal proceedings, provided that such entry and repossession are lawful.
- c) Seller may sell the Equipment and Seller shall give Company at least ten (10) days' written notice of any such sale of the Equipment, which Company agrees to be reasonable notice. Notice shall be given at the address specified in this Agreement or such other address as Company may specify in writing to Seller. Notice shall be effective when deposited in the mails, postage prepaid, or delivered to a telegraph company, addressed as provided above.
- d) Company agrees to pay to Seller on demand all out-of-pocket expenses, including reasonable expenses for attorneys' fees and costs, incurred after a default under Article 16 of this Agreement or incurred in connection with the enforcement of this Agreement, the performance by Seller of any obligations of Company regarding the Equipment which Company has failed or refused to perform, or any actual or attempted sale of Equipment, and for the care of the Equipment and defense of assertion of rights and claims of Seller regarding the Equipment by litigation or otherwise, including expenses of insurance. Company's obligation to pay these expenses shall bear interest at the highest lawful rate and shall be secured by this Agreement.

ARTICLE 18. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction (which is not overridden by applicable Federal Law) shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Company to the full extent permitted by law, it being the intention of the parties hereto that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Company, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice or any kind, notice of intention to take possession of or to sell or lease the Equipment or any unit thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Seller's rights under this Agreement and any and all rights of redemption.

ARTICLE 19. Recording. The Company will cause this Agreement, any assignments hereof and any amendments or supplements hereto or thereto to be filed and recorded with the Interstate Commerce Commission in accordance with Section 11303 of the

Interstate Commerce Act; and the Company will from time-to-time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law or reasonably requested by the Seller, including the necessary UCC filings, for the purpose of proper protection, to the satisfaction of Seller, of its interest in the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Company will promptly furnish to the Seller certificates or other evidence of such filing, registering, depositing and recording satisfactory to the Seller.

ARTICLE 20. Notice. Any notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following specific addresses:

- a) To the company at P.O. Box 108, Monte Vista, Colorado 81144.
- b) To the Seller, at 777 106th Avenue Northeast, Bellevue, Washington 98004 and
- c) To any assignee of the Seller, at such address as may have been furnished in writing to each of the other parties hereto by such assignee,

or at such other address as may have been furnished in writing by such party to the other parties to this Agreement.

ARTICLE 21. Article Headings; Effect and Modification of Agreement. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

This Agreement, including the Schedules hereto, exclusively states the rights of the Seller and the Company with respect to the Equipment and supersedes all other agreements, oral or written, with respect to the Equipment. No variation or modification of this Agreement and no waiver or any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Seller and the Company.

ARTICLE 22. Law Governing. The terms of this Agreement and all rights and obligations shall be governed by the laws of the State of Washington.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

The San Luis Central Railroad Co.

(Corporate Seal)

Attest:

by E. Burkhardt

its Assistant to President

PACCAR Financial Corp.

(Corporate Seal)

Attest:

by [Signature]

Executive Vice President  
its and General Manager

ILLINOIS  
STATE OF WASHINGTON )  
COOK ) ss.  
COUNTY OF KING )

On this 6<sup>th</sup> day of April, 1987, before me personally appeared E.A. Burkhardt, to me personally known, who being by me duly sworn, says that he is the Assistant to President of The San Luis Central Railroad Co., that the seal affixed to the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notarial Seal)

JOHN S. WILSON  
Notary Public in and for the State  
of ~~Washington~~ residing at Chicago.  
ILLINOIS

My commission expires 11-13-89

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

On this 13<sup>th</sup> day of April, 1987, before me personally appeared S.J. Rohrbach, to me personally known, who being by me duly sworn, says that he is the Executive VP & General Mgr. of PACCAR Financial Corp., that the seal affixed to the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notarial Seal)

Linda L. Bellile  
Notary Public in and for the State  
of Washington residing at Juanita.

My commission expires May 01, 1988

THE SAN LUIS CENTRAL RAILROAD CO./PACCAR FINANCIAL CORP.

SCHEDULE "A"

<u>QTY</u>	<u>YEAR</u> <u>MODEL</u>	<u>MANUFACTURER</u>	<u>DESCRIPTION</u>	<u>POINT OF</u> <u>DELIVERY</u>	<u>PURCHASE</u> <u>PRICE</u>
(82)	1971	Pacific Car & Foundry	70-ton mechanical refrigerator cars	Kansas City, Missouri	\$200,000